**Planning your financial future**

Leoni never seems to have enough money for the things she wants to buy. Her mum suggests that making a budget would help with her spending and saving.

Leoni earns $60 a week from her paper run and doing extra chores around the house. She decides to track her spending for a week using her online banking app.

Here is a snapshot of what Leoni has spent over the past week:

|  |
| --- |
| Transactions |
| March 26 (Current Balance $100) |
| Starbucks | $6.50 |
| Cotton On | $20 |
| March 27 (Current Balance $73.50) |
| Hop Card | $20 |
| Starbucks | $6.50 |
| Spark (Automatic Payment) | $19 |
| March 29 (Current Balance $28) |
| Starbucks | $6.50 |
| Life Pharmacy | $12.50 |

# Questions:

1. Classify the transactions into needs or wants. Explain your reasoning in a few simple statements.
2. How much money has Leoni left in her account? (Use the [SORTED budget too](https://sorted.org.nz/tool/budgeting-tool)l to help work this out.)
3. What is the total amount Leoni has spent on needs?
4. What is the total amount Leoni has spent on wants?
5. Write the totals from questions 3 and 4 as a fraction.
6. Write the totals from questions 3 and 4 as a percentage.

Leoni is desperate to save money for a car but she now realises that her spending habits are holding her back.

As a next step Leoni records all the expenses she has to pay for out of her income.

|  |  |
| --- | --- |
| Expenses | Cost |
| Bus Card (per week) | $20 |
| Spark Mobile Plan (per month) | $19 |

Leoni has calculated that her expenses amount to $99 per month. Is she correct? Explain your reasoning in mathematical statements.

Leoni decides to break her spending into categories to help her keep to a formal budget. She breaks her expenses into these categories:

* Expenses
* Savings
* Car
* Clothes
* Coffee

The LEGO bricks represent Leoni’s formal budget for a week.

* Translate the bricks into ratio form (each two raised dot equals 1). Check with your teacher before moving to the next step.
* Each coloured brick represents an amount of Leoni’s weekly formal budget. Match the bricks to the expense category they represent. Explain your reasoning in mathematical statements.

# Extension activity:

Can you improve Leoni’s budget so that she can save more for her car? Prompts:

* How would you break down the amounts for each category?
* Would you change any of the categories and why?
* How would that benefit Leoni’s saving goal?

Explain and justify your changes and communicate any calculations through mathematical statements.

You can use the [Financial Plan template](https://sortedinschools.org.nz/students/student-activities/financial-planning-tool/download?files=47) as another method to plan out Leoni’s finances.

**Reflection**

Using the [mathematics rubric](https://sortedinschools.org.nz/sorted-resources/learning-areas-yrs-9-10/maths/assessment/) answer the questions below:

I think my work at the moment is at level for financial capability and I think my work at the moment is at level for mathematics.

This is because….

The peer I have chosen to critique my work is

They critiqued my work and have judged it to be at level

The reasons they gave me for their decision are

Therefore my next steps to refine my work and make it better are...